

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

* * * * *

In the Matter of:

NOTICE OF SOUTH CENTRAL BELL)	
TELEPHONE COMPANY OF AN ADJUSTMENT)	CASE NO. 8150
IN ITS INTRASTATE RATES AND CHARGES)	

O R D E R

IT IS ORDERED that South Central Bell shall file an original and five copies of the following information with the Commission, with a copy to all parties of record by May 7, 1981.

Staff Request No. 2

1. Lester Exhibit 6, Section A:
 - a) Provide all working papers supporting the calculations including a description of all factors and assumptions used.
 - b) Submit a recalculation of the adjustment under the four-year phase in of current connections.
 - c) Submit a recalculation of the adjustment under both the four-year phase in and flash cut approaches assuming that the initial cost of the first connection will continue to be capitalized and that the embedded cost of all first connections will be depreciated over 20, 30 and 40 years.
2. Laehne, Part V, page 6, lines 107 and 109:
 - a) Provide the status of all antitrust suits involved in this expense.

b) Provide the total dollars charged Kentucky intrastate operations in the past for this litigation.

c) Provide the rationale for the basis of allocation,

"average of 1) Plant in Service
2) Expenses
3) Revenues"

3. Item 6, sheet 3 of 16:

Provide the percentage of premium pay overtime for the last five (5) calendar years.

4. Item 6, sheets 4 and 14 of 16:

Describe the benefit plan changes in detail.

5. Describe any total factor productivity studies for South Central Bell total company and Kentucky combined. If measures are made annually, provide these factors for the test period and the preceding five years.

6. In checking the monthly increases in operating expenses, certain expenses (listed below) exhibited marked monthly increases. Please analyze these variations and report the findings to the Commission. Where expenses are found to be nonrecurring or applicable for more than one operating period, provide the amounts involved.

<u>Expenses</u>	<u>Month</u>	<u>Difference From Preceding Month</u>	<u>% Increase</u>
Repair of Outside Plant	January	\$360,372	16.91
	March	319,583	15.67
	July	322,831	18.16
Test Desk Work	May	\$231,538	24.39

<u>Expenses</u>	<u>Month</u>	<u>Difference From Preceding Month</u>	<u>% Increase</u>
Repair of Central Office Equipment	January	\$227,854	9.80
	March	931,560	41.82
Repair of Station Equipment	January	\$751,649	25.45
Engineering- Network	August	\$262,772	82.82
Other General Office Salaries and Expenses	August	\$327,254	39.54
	November	155,231	16.12

Done at Frankfort, Kentucky, this 28th day of April, 1981.

PUBLIC SERVICE COMMISSION

Marlin M. Voth
For the Commission

ATTEST:

Secretary